

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF WEST KENTUCKY RURAL)	
TELEPHONE COOPERATIVE CORPORATION, INC.)	
FOR A CERTIFICATE OF CONVENIENCE AND)	CASE NO. 94-212
NECESSITY TO CONSTRUCT NEW FACILITIES)	
THROUGHOUT FIFTEEN OF ITS EXCHANGES IN)	
SOUTHWEST KENTUCKY)	

O R D E R

IT IS ORDERED that West Kentucky Rural Telephone Cooperative Corporation, Inc. ("West Kentucky RTC") shall file the original and ten copies of the following information with the Commission no later than 15 days from the date of this Order.

1. Refer to Exhibit A, Page II-1, Section I, Paragraph 3. Explain the statement that a state-wide educational network is being planned by this Commission. Specify the construction cost attributable to the educational network.

2. Explain how the amount of internal funds (\$1,609,752) to be used for financing was determined. Could a larger amount of general funds be used for construction thereby reducing reliance on REA/RTB funds? If not, why not?

3. a. Do the figures in Exhibit D represent 5 year forecasts? If not, explain.

b. Provide and explain all workpapers illustrating the calculations used to forecast revenue line items 1-5.

4. Exhibit A forecasts access and long-distance revenues of \$7,338,488, an increase of almost 46 percent over the level shown in applicant's 1993 Annual Report (total company).

a. Provide the basis for forecasting a 46 percent increase in access and long-distance revenues.

b. In the event an increase of this magnitude does not materialize and the TIER falls below the REA requirement, what action will be taken to improve TIER to required levels?

Done at Frankfort, Kentucky, this 1st day of August, 1994.

PUBLIC SERVICE COMMISSION


For the Commission

ATTEST:


Executive Director